



EAST OF HUDSON WATERSHED CORPORATION
QUARTERLY MEETING OF DIRECTORS AND MEMBERS

LOCATION: Business Office: 2 Route 164, Patterson, NY 12563

TIME and DATE: 10:00 a.m., Tuesday, August 14, 2018

Meeting Minutes

1) Open of Meeting at 10:00 a.m.

Voting Members in Attendance: Peter Parsons (Town of Lewisboro) for himself and as alternate for Warren Lucas (Town of North Salem); Rich Williams (Town of Patterson); Rich Franzetti as alternate for Ken Schmitt (Town of Carmel); JoAnne Daley as alternate for James Schmitt (Town of Pawling); Chris Burdick (Town of Bedford); Vincent Tamagna as alternate for MaryEllen Odell (Putnam County); Michael Quinn as alternate for Ilan Gilbert (Town of Yorktown); Sam Oliverio (Town of Putnam Valley); Steve Ferreira as alternate for Linda Puglisi (Town of Cortlandt); Steve Woelfle as alternate for Rick Morrissey (Town of Somers); Kevin Hansan (Town of Pound Ridge); Edward Brancati as alternate for Gina Picinich (Town of Mount Kisco); Joseph Zarecki as alternate for Robert Liffland (Village of Pawling); Maureen Fleming (Town of Kent)

Others in Attendance: Christine Chale (Corporate Counsel); Vincent Giorgio (NYCDEP); Brennan Farrell (NYCDEP); Kevin Fitzpatrick (EOHWC); Joanne Tavino (EOHWC); Yvette Rivera (EOHWC); Linda Matera (EOHWC)

2) Pledge of Allegiance

3) Approve Meeting Minutes: May 8, 2018

Motion by Director Parsons, seconded by Director Oliverio, to approve the Board of Directors Meeting Minutes of May 8, 2018; all in favor.

4) Financial Update

Joanne Tavino reported that expenditures for January through July total \$777,000. The current fund balance of \$8.8 million includes the investments in treasuries, which are doing very well. Currently for this year, we've earned about \$62,000 of interest income. The total since we began investing is over \$100,000 of interest income.

5) List of Reporting and Filing Due Dates

Joanne reported that there are currently a few open items. A small number of the board members have not fulfilled their requirements for compliance. We will work together with the remaining members and the Governance Committee to make sure everyone is up to compliance and there are no issues. The O&M is starting to come in. Carmel has already sent in their cost for January through June of 2018. All of the internal reporting and filing has been completed.

6) Use of WQIP Funds

Director Parsons announced that Westchester County has finally, after three years, managed to approve setting aside \$750,000 for the Westchester towns to pay their O&M. The legislature has approved it and it's now a matter of moving it along the necessary channels. A two month estimate was given. Kevin mentioned that value can be applied backwards to Westchester County projects for O&M which took place in 2016, 2017, 2018 and an additional four years moving forward. We will re-evaluate all of the work that has been done by Westchester County and everything that has been submitted, then readdress everything through that funding. Director Parsons pointed out that the real problem with WQIP funds is how we finally get to a point where the NYCDEP will accept that we have as good as spent this money or at least have got it to a point where it has been approved for expenditure. Emphasis was placed upon the fact that they are not going to provide any additional funding to work outside the FAD until we show that Somers, Bedford, Yorktown and New Castle have a plan in place for spending the \$10 million in funding allocated. It seems that Bedford has definitely got a plan which is moving forward. Director Burdick suggested that it might be helpful if we ask for the Northern Westchester Watershed Committee to meet to adopt a resolution to press Westchester County to move ahead. Additionally discussed by Director Parsons was Yorktown's progress and that they appear to be in good shape. Michael Quinn stated that Yorktown has done the engineering studies and have been working with Westchester County to draft the IMA. It was recommended by Director Parsons that Ilan Gilbert meet with Norma Drummond to help move things along. Further discussed was the fact that New Castle seems to have taken the town out of it and delegated it to a group of residential associations. Steve Woelfle said that the Town of Somers has a commitment from Heritage Hills and that Somers is relying on Peekskill's sewage plant. Director Parsons asked that Somers gets a commitment from Peekskill because EOHWC will not get money from the NYCDEP for the non-FAD areas, which are mostly in the Town of Somers. Vincent Tamagna questioned what is delaying the City of Peekskill. Director Parsons indicated that they are not willing to accept additional sewage. In conclusion, it was decided that as earlier suggested by Director Burdick, meeting with Northern Westchester Watershed Committee may be very helpful in making progress.

7) Project Update

a. Program Summary

Kevin reported that all current projects that are actively being worked on are moving forward in anticipation of awarding some construction for the fall season with hopes of wrapping a few of them up by the end of this calendar year. One of the bigger efforts going on right now is the Brewster Heights project in Southeast (SE-POT-02) which is a long-running project that will yield about 70 kilograms of phosphorus credit. The next big effort that is ongoing is between the NYCDEP and Metro North to address the parking lots within Metro North train stations along the Harlem line. They are all catch basin inserts with installation time tables of approximately two weeks for each once we get the green light to proceed. Oftentimes, conversations tend to take a bit longer when multiple agencies are involved. The NYCDEP has already provided authorization to move forward on their property and get the inserts installed by the end of this calendar year.

All design has been actively pushed along during the past calendar year because we have a game plan of targeting a heavy construction season in 2019 when there is more clarity on a hard date for the availability of FAD funding. Presently, it appears as though the FAD funding will be available in September 2019. We can start entering into some of those contracts and dedicating some of next year's construction season to get those projects in the ground. Members were invited to ask any individual questions on projects in their towns. Kevin requested that members reach out to him if they anticipate projects that they wish to

include on future work plans. Projects outside the FAD or FAD-connected basins cannot currently be accepted because the funding is not available for them. Director Burdick questioned if any of the catch basin insert projects at the Metro North parking lots will result in a reduction in parking spaces. Kevin specified that these projects use the existing infrastructure that is in place and would not take up any of the parking spaces. Director Burdick requested that the towns be made aware when construction is planned so they can alert the other communities and post signs. Kevin said he plan to make every effort to work around doing the installation between the hours of 7:00 a.m. to 5:00 p.m., if possible, to avoid any issues.

Director Parsons inquired if George Rodenhausen ever reached a conclusion as to whether we can do a FAD project in Connecticut. Chris Chale indicated that she did not believe he had. Director Parsons detailed that Ridgefield has portion of the FAD that is emptying debris into Lake Truesdale, which is really hurting the FAD. The issue is that EOHWC would have to do the project within the borders of Connecticut. Kevin mentioned that the conversation he had with NYCDEP was simply that the option is on the table for discussion. Our starting point has to be that the NYSDEC will accept it because it is outside of our boundaries technically. There's the watershed and then there's our group, that is inside of that. We will start with the NYSDEC and get their feedback on it. If they say it is possible, then we can continue conversations with the NYCDEP. Chris and George will be contacted to work on that conversation once we get over that hurdle. It is in our best interest to take a look at this, especially Cross River, where we would have a good opportunity to get a heavily impervious area in Ridgefield that we can work on. We would be addressing the downtown area which can really use some help and would benefit the reservoir. Director Williams brought up that if a project is done in Ridgefield, Lewisboro would get the credit and that could be an issue for the NYSDEC. Kevin mentioned that Corporation and the group would get the credit, not necessarily the town. It was suggested that Lewisboro may need to take on the O&M. Director Parsons emphasized that there is a shortage of good projects in the FAD basins and where our target used to be at \$80,000 per kilogram, it will now be at \$120,000. A harder look needs to be taken at this project because it is in the FAD and it could help our phosphorus reduction goal. Further, Director Williams pointed out that New Fairfield is discharging into Putnam Lake and they should have a target number for phosphorus reduction as well. The NYSDEC as a state agency should be working with the NYCDEP over in the State of Connecticut as a sister state agency to establish that number because they are also a regulated MS4. Kevin will make an inquiry to the NYSDEC as to whether the Corporation's goal is to reduce phosphorus in the watershed or within our municipal boundaries. It's important that we know where and how it is defined. If the answer is within the watershed, and not necessarily within our municipal boundaries even though the number came from our municipal boundaries, then the next step is do we want to investigate going into Connecticut. In conclusion, Director Williams felt that we need to be clear that if we are going to do this project in Treusdale, whatever phosphorus reduction we get, must to be allocated to the Town of Lewisboro because if it is not, then we are defeating our own purpose with the funding we have. Director Fleming questioned how the O&M would be addressed if every town was responsible for a certain amount each year. Director Parsons felt that it would be appropriate to make Lewisboro responsible. In addition, the possibility of creating an IMA with Ridgefield was discussed, whereby they actually do the work and Lewisboro would assume the final responsibility. Kevin added the EOHWC could hire a contractor to do the O&M and then bubble compliance would apply and everyone would pick up the charge for maintenance on that project. To conclude, Vincent Tamagna suggested we wait for an answer from George whether or not EOHWC can do a project in Ridgefield, Connecticut.

8) 2019 Draft Budget and Draft Work Plan

Joanne reported that the administrative expenditures are pretty much the same from year to year. Expenses covering payroll, rent, and insurance run between \$500,000 to \$600,000 per year. In the scheme of things, the administrative costs are relatively low and a small part of the EOHWC budget. The \$15,000,000 coming in from NYCDEP in 2019 is now being budgeted. It is anticipated that we won't see it until the fall so the investment interest has not been included on that funding until the end of the year. Other than that, the administrative expenses have not changed dramatically from year to year. The construction and design is about 90% of our budget, which Kevin will address.

Kevin announced that we are expecting a heavy construction season coming up and that is the reason for a very high value in our budget for construction. It doesn't necessarily mean we are going to complete \$9,000,000 of construction, but our goal is to enter into agreements to allocate that much money towards it. There are a lot of large projects coming down the line that will bring us to that number pretty quickly. We have to dedicate anything for the 2019 Work Plan (Year 8) towards that number as well. As you are all aware, that is going to be a number that's heavily invested in the FAD basins as we have a requirement to show certain milestones per the funding agreement with NYCDEP towards money spent in those FAD basins. Kevin requested that anyone with potential projects in FAD basin contact him. The Town of Carmel has been proactive with giving us some projects and working with the Town of Southeast to try to execute a some. We are advancing quite a few in Lewisboro as well. Unfortunately, we don't have a lot of opportunities outside of those towns, but we are going to continue investigating anything that we can find. Smaller lakes in Boyds Corner and West Branch reservoirs in the Town of Kent were visited about two weeks ago to look into any possibilities. We are going to continue looking at outfalls within all those lakes and anything else that might be an opportunity for us to invest in.

Finally, a Work Plan and final budget will be presented for approval at the next Board of Directors meeting in October. The Work Plan will be submitted to NYCDEP and NYSDEC by October 1st, so everyone is encouraged to get anything in that they may be interested in completing for inclusion in the final draft. Should any projects come up later in 2019, let us know and they can always be added in the end. Keep in mind that everything is on the table, including any municipal projects you may be doing anyway. In conclusion, Director Burdick recommended taking a look at the IMA with Westchester County as it is expected that some of the O&M money will come in at some point in 2018 as well as 2019.

9) O & M discussion

a. 2016 O&M Cost Analysis

Kevin reminded members to work towards O&M. Over the last two years, we had a big influx of paper work on December 31st. If you or your highway department has documents, you could start submitting them to us and we will begin looking at and recording them. That effort helps us keep track of what you're doing and ensures that it's being done correctly so that you do not have to dig back to the beginning of every calendar year. Joanne explained that the reason Kevin brings that up is because we are going through our audit in January and it can't be completed until all of the O&M is received. It would be most helpful if it could be worked on in October, November and December so that we avoid it becoming an issue during the audit in January. It is understandable that some O&M will be done in December and can't be submitted earlier; however, it would be appreciated if you could submit anything you have completed prior to the fall. Lastly, Kevin reminded members that the sooner the documentation is submitted, the sooner the checks are mailed, if indeed, you are entitled to a refund. The goal is to work towards an earlier and earlier payment to everyone.

9) Other business

Director Parsons announced that Yvette Rivera submitted her resignation after four years and thanked her for the excellent service she provided during that time. She has accepted a position with the local school district and was wished good luck in her new assignment. Because of this resignation, the Executive Committee is recommending to you that the hours for Linda Matera be increased and her title be changed to Office Manager. Essentially, she will take on Yvette's responsibilities, as well as her own. Joanne has agreed to help in the event things get overwhelming from time to time. The net impact financially, for reasons related to the change in hours and the fact that Linda officially declines benefits from us means that there will be a slight savings with regard to health insurance, which is the only major benefit we give. This will result in a savings for the corporation. Director Fleming requested the opportunity to look at the actual numbers associated with the recommendation by the Executive Committee. Joanne indicated that she provided an entire schedule to the Executive Committee of the breakdown with regard to the budget. Director Parsons recommended that the remainder of the discussion be conducted in Executive Session.

10) Enter into Executive Session to discuss the hiring or promotion of particular persons, motion proposed by Director Parsons, seconded by Director Burdick; all in favor.

11) Motion to come out of Executive Session proposed by Director Parsons, seconded by Director Burdick; all in favor. No action taken in Executive Session.

Motion by Director Parsons, seconded by Vincent Tamagna to appoint Linda Matera as Office Manager effective August 21, 2018, increasing work hours to 40 per week with an hourly rate not to exceed \$25.50 per hour.

WHEREAS, the position of Accounts Payable Coordinator will be vacant as of August 21, 2018 due to resignation of the incumbent; and

WHEREAS, the Board of Directors has reviewed the Executive Committee's recommendation regarding the consolidation and revision of job descriptions and related assignments for affected EOHWC staff; and

NOW THEREFORE IT IS HEREBY RESOLVED that a modified job description in the form attached hereto is hereby approved for the position of Office Manager, to consolidate certain duties of the former positions of Records Management Coordinator and Accounts Payable Coordinator, with duties substantially as provided in the attached position description together with such other or different tasks as may be assigned by the President from time to time in the best interests of the Corporation, at a rate not to exceed \$25.50 per hour for a full time schedule of 40 hours per week, effective as of August 21, 2018; and

IT IS HEREBY FURTHER RESOLVED that the appointment of Linda Matera to the modified position of Office Manager is hereby approved.

Motion passed; all in favor.

(R-0814-03)

13) Adjournment – Motion to adjourn by Director Parsons, seconded by Ed Brancati; all in favor. Adjourned 10:50 AM.